

# State of South Dakota

EIGHTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2012

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## HOUSE BILL NO. 1051

Introduced by: The Committee on Appropriations at the request of the Board of Regents

1 FOR AN ACT ENTITLED, An Act to authorize the South Dakota Building Authority and the  
2 Board of Regents to implement the long-term capital project request of the Board of Regents  
3 providing for the demolition, construction, remodeling, or renovation of various structures  
4 on the campuses of the state's universities and to make appropriations therefor.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

6 Section 1. It is in the public interest that the South Dakota Building Authority contract for  
7 the construction, completion, furnishing, equipping, and maintaining of, including heating, air  
8 conditioning, plumbing, water, sewer, electric facilities, sidewalks, parking, landscaping,  
9 architectural and engineering services, asbestos abatement, removal of existing roofing and  
10 structures, and such other services or actions as may be required to accomplish, the projects  
11 enumerated in sections 2 and 3 of this Act, all at the estimated cost of two hundred four million  
12 six hundred fifty-seven thousand five hundred thirteen dollars. The South Dakota Building  
13 Authority may finance up to one hundred seven million dollars of the construction costs through  
14 the issuance of revenue bonds, in accordance with this Act and chapter 5-12.

15 Section 2. The campus infrastructure projects authorized in section 1 of this Act, to be



1 financed, in whole or in part, through the issuance of revenue bonds by the South Dakota  
2 Building Authority, are the following:

- 3 (1) Black Hills State University infrastructure repair and upgrade, for an estimated  
4 construction cost of four million dollars;
- 5 (2) Dakota State University energy efficiency and accessibility compliance repairs and  
6 upgrades, for an estimated construction cost of one million two hundred seventy-five  
7 thousand dollars;
- 8 (3) Northern State University street improvements, for an estimated construction cost of  
9 six hundred thousand dollars;
- 10 (4) South Dakota School of Mines and Technology utility infrastructure, for an estimated  
11 construction cost of two million seven hundred forty thousand dollars;
- 12 (5) South Dakota State University utility tunnel, steam/condensate infrastructure repair  
13 and modernization, including the construction of a supplemental plant building  
14 whose new construction is not to exceed fourteen thousand two hundred gross square  
15 feet, for an estimated construction cost of seven million dollars;
- 16 (6) South Dakota State University water, sanitary sewer, and storm sewer repairs and  
17 upgrades, for an estimated construction cost of five million dollars; and
- 18 (7) University of South Dakota mechanical overhaul and modernization, for an estimated  
19 construction cost of eight million dollars.

20 Section 3. The building construction or renovation projects authorized in section 1 of this  
21 Act, to be financed, in whole or in part, through the issuance of revenue bonds by the South  
22 Dakota Building Authority, are the following:

- 23 (1) Black Hills State University Jonas Hall Science renovation, for an estimated  
24 construction cost of two million five hundred thousand dollars, of which no more

1           than one million two hundred fifty thousand dollars may be financed through the  
2           issuance of revenue bonds, with the remaining funds being drawn from donations,  
3           federal, or other funds as provided in section 8 of this Act;

4       (2)   Black Hills State University E.Y. Berry Library renovation, for an estimated  
5           construction cost of four million five hundred thousand dollars, of which no more  
6           than three million may be financed through the issuance of revenue bonds, with the  
7           remaining funds being drawn from donations, federal, or other funds as provided in  
8           section 8 of this Act;

9       (3)   Dakota State University information system building, not to exceed forty-eight  
10          thousand gross square feet, for an estimated construction cost of ten million dollars,  
11          of which no more than six million dollars may be financed through the issuance of  
12          revenue bonds, with the remaining funds being drawn from donations, federal, or  
13          other funds as provided in section 8 of this Act;

14      (4)   Northern State University Johnson Fine Arts Center renovation and addition, not to  
15          exceed twenty-nine thousand gross square feet, for an estimated construction cost of  
16          seven million seven hundred fifty thousand dollars, of which no more than five  
17          million dollars may be financed through the issuance of revenue bonds, with the  
18          remaining funds being drawn from donations, federal, or other funds as provided in  
19          section 8 of this Act;

20      (5)   South Dakota School of Mines and Technology research center, not to exceed one  
21          hundred twenty thousand gross square feet, for an estimated construction cost of  
22          thirty-seven million forty thousand dollars, of which no more than six million forty  
23          thousand dollars may be financed through the issuance of revenue bonds, with the  
24          remaining funds being drawn from donations, federal, or other funds as provided in

1 section 8 of this Act;

2 (6) South Dakota State University new headhouse and greenhouses, not to exceed  
3 twenty-four thousand gross square feet, for an estimated construction cost of three  
4 million seven hundred eighty-five thousand dollars, of which no more than one  
5 million dollars may be financed through the issuance of revenue bonds, with the  
6 remaining funds being drawn from donations, federal, or other funds as provided in  
7 section 8 of this Act;

8 (7) South Dakota State University architecture, mathematics, and engineering facility,  
9 not to exceed seventy thousand gross square feet, for an estimated construction cost  
10 of seventeen million eighty-two thousand eight hundred dollars, of which no more  
11 than ten million dollars may be financed through the issuance of revenue bonds, with  
12 the remaining funds being drawn from donations, federal, or other funds as provided  
13 in section 8 of this Act;

14 (8) South Dakota State University visual arts facility expansion, including the complete  
15 renovation of the existing Seedhouse and West Headhouse, whose new construction  
16 is not to exceed twenty-three thousand gross square feet, for an estimated  
17 construction cost of twelve million four hundred thousand dollars, of which no more  
18 than seven million five hundred thousand dollars may be financed through the  
19 issuance of revenue bonds, with the remaining funds being drawn from donations,  
20 federal, or other funds as provided in section 8 of this Act;

21 (9) South Dakota State University Performing Arts Center expansion, not to exceed one  
22 hundred fifteen thousand gross square feet, for an estimated construction cost of  
23 thirty-three million one hundred three thousand seven hundred thirteen dollars, of  
24 which no more than thirteen million dollars may be financed through the issuance of

1 revenue bonds, with the remaining funds being drawn from donations, federal, or  
2 other funds as provided in section 8 of this Act;

3 (10) South Dakota State University new cow-calf research and education unit near Volga,  
4 South Dakota, not to exceed fifty-two thousand gross square feet, for an estimated  
5 construction cost of three million seven hundred six thousand dollars, of which no  
6 more than two million nine hundred thousand dollars may be financed through the  
7 issuance of revenue bonds, with the remaining funds being drawn from donations,  
8 federal, or other funds as provided in section 8 of this Act;

9 (11) University of South Dakota science, health and research laboratory building, not to  
10 exceed eighty thousand gross square feet, for an estimated construction cost of thirty  
11 million dollars, of which no more than eight million six hundred ninety-five dollars  
12 may be financed through the issuance of revenue bonds, with the remaining funds  
13 being drawn from donations, federal, or other funds as provided in section 8 of this  
14 Act;

15 (12) University of South Dakota Patterson Hall renovation, for an estimated construction  
16 cost of six million five hundred thousand dollars to be financed through the issuance  
17 of revenue bonds; and

18 (13) University of South Dakota Dakota Hall renovation, for an estimated construction  
19 cost of seven million five hundred thousand dollars to be financed through the  
20 issuance of revenue bonds.

21 Section 4. There is hereby appropriated from other fund expenditure authority the sum of  
22 one hundred seventy-five thousand dollars (\$175,000), or so much thereof as may be necessary,  
23 to the Board of Regents, payable from patent royalty income accruing to South Dakota State  
24 University, for the purchase of a tract of land and buildings to form part of the new cow-calf

1 research and education unit near Volga, South Dakota, and described as the Southeast Quarter  
2 of the Southwest Quarter of the Southeast Quarter (SE1/4 SW1/4 SE 1/4), EXCEPT the West  
3 One Hundred Sixty-Five Feet (W 165') thereof, of Section Thirty-three (33), Township One  
4 Hundred Eleven (111) North, Range Fifty-one (51) West of the 5th P.M., Brookings County,  
5 South Dakota, for the use by the South Dakota State University cow-calf research and education  
6 unit.

7 Section 5. The authorizations granted under section 1 of this Act, and all necessary  
8 appropriations required to finance and to complete such projects, remain effective until July 1,  
9 2026. However, no bonds may be issued under the authority of this Act if such issuance would  
10 violate the restriction established in § 13-51-2.

11 Section 6. All cost estimates contained in this Act have been stated in terms of 2011 values.  
12 The Building Authority, at the request of the Board of Regents, may adjust such cost estimates  
13 to reflect inflation as measured by the Building Cost Index reported by the Engineering News  
14 Record, additional expenditures required to comply with regulations adopted after the effective  
15 date of this Act, or donations, federal, or other funds received pursuant to section 8 of this Act,  
16 provided that such adjustments to project cost estimates for any given project may not exceed  
17 one hundred twenty-five percent of the estimated project cost stated in sections 2 or 3 of this  
18 Act. Additionally, notwithstanding any adjustment in cost estimates permitted under this  
19 section, no increase in gross square footage authorized by subdivisions (3) to (11) inclusive, of  
20 section 3 of this Act, or subdivision (5) of section 2 of this Act may exceed ten percent.

21 Section 7. No indebtedness, bond, or obligation incurred or created under the authority of  
22 this Act may be or may become a lien, charge, or liability against the state of South Dakota, nor  
23 against the property or funds of the state of South Dakota within the meaning of the Constitution  
24 or statutes of the state.

1       Section 8. The Building Authority and the Board of Regents may accept, transfer, and  
2       expend any funds obtained for the projects authorized in this Act from federal sources,  
3       donations, unrestricted other fund transfers, or any other source, all of which comprise a special  
4       fund for the benefitted project, and all monies deposited into that fund are hereby appropriated  
5       to the projects authorized by this Act in addition to the amounts otherwise authorized by this  
6       Act, provided that the aggregate increases to the estimated project funds from such sources may  
7       not exceed one hundred twenty-five percent of the estimated project construction cost stated in  
8       sections 2 or 3 of this Act.

9       Section 9. The administration of the design and construction of the projects authorized in  
10      this Act shall be under the general charge and supervision of the Bureau of Administration as  
11      provided in chapter 5-14. The executive director of the Board of Regents and the executive  
12      secretary of the Building Authority, or their designees, shall approve vouchers and the state  
13      auditor shall draw warrants to pay expenditures authorized by this Act.

14      Section 10. The Board of Regents may make and enter into a lease agreement with the  
15      Building Authority and make rental payments under the terms thereof, for the purposes of this  
16      Act, pursuant to chapter 5-12, from the higher education facilities fund and, for two million  
17      dollars of the bonds issued to finance the project authorized in subdivision (10) of section 3 of  
18      this Act, from other fund appropriations.

19      Section 11. For the purposes of this Act, the term, gross square footage, means the sum of  
20      all areas on all floors of a building included within the outside faces of the building's exterior  
21      walls, including floor penetration areas, however insignificant, for circulation and shaft areas  
22      that connect one floor to another as computed by physically measuring or scaling measurements  
23      from the outside faces of exterior walls, disregarding cornices, pilaster, and buttresses that  
24      extend beyond the wall faces. The term includes excavated basement area; mezzanines and

1 attics; garages; multiple floor parking structures; enclosed porches, inner, or outer balconies  
2 whether walled or not, if the balconies are utilized for operational functions; and corridors  
3 whether walled or not, if the corridors are within the outside face lines of the building, to the  
4 extent of the roof drip line and the footprints of stairways, elevator shafts, and ducts on each  
5 floor through which the corridors pass. The term does not include open areas such as unenclosed  
6 parking lots, playing fields, courts, and light wells, clear span areas not exceeding three feet in  
7 height, or portions of upper floors eliminated by rooms or lobbies that rise above single-floor  
8 height.

9 Section 12. The Board of Regents may demolish certain buildings that will be replaced by,  
10 or whose use will be rendered unnecessary as a result of, construction authorized by this Act.  
11 There is hereby appropriated from other fund expenditure authority the sum of one million nine  
12 hundred fifty thousand dollars (\$1,950,000), or so much thereof as may be necessary, to the  
13 Board of Regents for the purposes of demolition, abatement of asbestos or other such hazardous  
14 materials, lawful disposal of the fixtures or rubble, and any other action reasonably necessary  
15 to render usable the sites occupied by the following facilities:

- 16 (1) Dakota State University Lowry Hall, comprising eleven thousand seven hundred  
17 twenty-three gross square feet, for an estimated cost of seventy thousand dollars;
- 18 (2) South Dakota State University West Greenhouses, comprising eight thousand nine  
19 hundred thirty-seven gross square feet, for an estimated cost of thirty thousand  
20 dollars;
- 21 (3) South Dakota State University, the Industrial Arts building, comprising four thousand  
22 eight hundred forty gross square feet; the Solberg Annex, comprising thirty-two  
23 thousand one hundred seventy-eight gross square feet; and the Communications  
24 Building, comprising four thousand one hundred eighty-three gross square feet; all



1 for an estimated cost of three hundred fifty thousand dollars;

2 (4) South Dakota State University Grove Hall, comprising eighteen thousand six  
3 hundred thirteen gross square feet, for an estimated cost of two hundred seventy-five  
4 thousand dollars;

5 (5) South Dakota State University Physiology Building, comprising five thousand two  
6 hundred forty-eight gross square feet, for an estimated cost of twenty-five thousand  
7 dollars; and

8 (6) University of South Dakota Julian Hall, comprising fifty thousand one hundred  
9 seventy-three gross square feet, and Noteboom Hall, comprising twenty-one thousand  
10 six hundred sixty-four gross square feet, for an estimated cost of one million two  
11 hundred thousand dollars.